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IRS Unveils Redesigned Employment Tax Return

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WASHINGTON — The Internal Revenue Service today unveiled the redesign of the employment tax return Form 941, Employer's Quarterly Federal Tax Return. The simplified form should help businesses, tax practitioners and payroll companies avoid common errors as well as reduce the burden associated with completing and filing Form 941.

The redesigned form features an improved layout, plain language instructions, simplified deposit reporting and paid preparer identification. The form is also scannable, which the IRS expects will reduce transcription errors.

"Where we can, the IRS wants to simplify its forms," said IRS Commissioner Mark W. Everson. "The new Form 941 will help achieve that."

More than 23 million of these forms are filed annually by 6.6 million employers.

The Form 941 is used to report wages, tips and other compensation paid, as well as Social Security, Medicare and income taxes collected.

The Office of Taxpayer Burden Reduction led an IRS team in the redesign. External stakeholders from the payroll tax community provided input. The revision also reflects information gathered from the public and feedback from focus group participants.

"The new 941 is much easier on the eye and much more user-friendly," said Scott Mezistrano, senior manager of government relations for the American Payroll Association. "With the shading, bigger boxes and improved instructions right on the form, you know exactly what you are supposed to report and where to put it. IRS did a very thorough job of reviewing every line on the 941 and considering how it could be made more clear."

The form is available on IRS.gov. Printed copies of the form and instructions are also available by calling the IRS at 1-800-829-3676.

Related items:

Form 941, Employer's Quarterly Federal Tax Return: http://www.irs.gov/pub/irs-pdf/f941.pdf

Instructions for Form 941: http://www.irs.gov/pub/irs-pdf/i941.pdf